

MANY MORE BANKS CLOSE

DRAGGED DOWN BY THE COLUMBIAN NATIONAL

LITTLE PROSPECT OF THE CHICAGO BANK RE-
SUMING BUSINESS—HOW DWIGGINS
AND STARBUCK OPERATED.

Chicago, May 12.—There were no more bank failures here to-day and the atmosphere is a little clearer in the city according to prominent bankers. There were, however, enough failures in country banks, all connections in some way of the Colombia National of this city, to cause some wonder as to how far-reaching in its effects that failure may be. According to the dispatches a dozen or more banks have been forced to the wall as the direct result of the failure of the Colombia.

The prospect of the Colombia National Bank being able to resume is remote. The financiering of Zimri Dwiggins and his combination is so inept

It will take much work to effect a disentanglement. Dwiglins and J. M. Starbuck branched out upon an extensive and ambitious scheme for the establishment of a chain of country banks. A partial list of the institutions with which they are connected shows six in Indiana, six in Illinois, two in Michigan, four in Ohio and two or three in Wisconsin. In the course of time the Columbia National became loaded with a mass of country bank stock for which it had no special use, and upon which it was not earning much money as it should. Then the United States Loan and Trust Company was incorporated under

The United States Loan and Trust Company was the principal instrument of the arrangement of principal and interest. This matter was vigorously exploited, and inquiry at the Illinois Trust and Savings Bank to-day revealed the fact that \$250,000 of the United States Loan and Trust Company's debentures had been registered there. In this connection it should be understood that the Illinois Trust and Savings Bank is not a bank, but a trust company, and the company, except to take and hold in escrow the debentures offered as securities for the debenture bonds and to register such bonds, does not do anything. The company is a mere agent. Just what form the arrangement took as between

The Columbia and the trust company has not been made plain. It is certain that the bank is not the owner of the trust company, but in the possession of the trust company, called trust company, and it is to be presumed that the proceeds found their way back into the Columbia's cash box, but the exact method of procedure is yet to be ascertained. The trust concern with in all probability turn up as one of the largest debtors of the bank. The United States National Bank, Connecticut, is also coming into the picture. Other facts are also coming to light, leading to show that the Columbia Bank was interested either directly or indirectly in many outside business enterprises. One of the largest of these, which was in the nature of a World's Fair speculation, was the famous Mexico Hotel at Thirty-first and

bright and occupying a solid block, was built of money furnished to a great extent by DeWiggins Starbuck & Co., financial directors of the defunct Columbia. DeWiggins and Starbuck were both directors of the Mecca corporation until about two years ago, and were its most active stockholders. DeWiggins was asked about this and other matters during this sitdown, but would say very little.

When Bank Examiner Sturges was asked if the Government would institute proceedings against the officers of the bank, he said: "I don't know. I can't tell what the Government will do." "There are no laws against it," he added.

"I won't answer that."

"Have you anything to say?"

"I will say this much: The affairs of the Columbia are in such bad shape that D. A. Cooke, the State Bank Examiner, who is in charge there must have assistance. I am going to get it for him as soon as I can."

The morning after the sitdown prevailed, and thousands gathered indications all along the bankers' streets of a feeble but waning excitement. What there was nothing at all like a run on any of the banks, savings depositors appeared to be uneasy. Many workmen left off employment to-day and were early at the banks to draw out their savings. But the bankers anticipated this, and there was no sign of any real or imaginary diminution of funds on the part of the great body of de-

The depositors in the Exposition branch of the Chemical National Bank, who live outside of Chicago, received notice to-day that the amounts due them would be paid before the close of the Exposition to-night.

morning the Commercial Bank closed its doors. It is thought that the bank will be able to meet its obligations, and when the present flurry is past business will probably be resumed.

Dispatches from Fowler state that there were

hard runs on the banks of Boswell, Oxford and Arcadia to-day, the indications being that they were badly embarrassed. Later it was reported that the Boswell bank was closed.

At noon the Commercial Bank at Brookston closed its doors and depositors made application to have

The Bank of Greenwood made an assignment to-day for the benefit of the creditors. A drain on the bank began early in the morning, and there being but one result possible the doors were closed that all depositors might stand on the same footing.

A dispatch from Attica to-day says: "The Central Bank, of West Lebanon is running to-day, but will probably have to close, at least temporarily, on

In three of the banks which failed to-day ex-Governor Chase was a member of the Board of Directors and was a large stockholder. The Governor's private

fortune will be impaired if it is not entirely swallowed up in the failures. The crash of banking concerns in Indiana has created a feeling of uneasiness throughout the State of which has not existed since 1873.

State Auditor Henderson was informed this morning that the Commercial State Bank of Russellville could not meet its demand owing to the suspension of the Columbia National bank of Chicago. The bank was organized January

1992. J. T. Hindley is president and R. W. Miller, Jr., is president. It is thought that the directors were particularly struck by the failure of the Columbia and that they should have continued business. State Auditor Henderson has sent State Bank Examiner Teeter to assume charge of the bank. The directors' records show that the bank has a capital of \$300,000 and deposits to the amount of \$35,000. Its assets are about \$70,000. The Commercial Bank is one of about twenty banks in Indiana that are thought to be connected with the Columbia National. The Portland Bank, that suspended yesterday, was the

that they were in Indiana in twenty years. The State bank at Greentown, under the same management as the Rus-sianville bank, also suspended today. The bank's liabilities are placed at \$250,000.

Portland, Ind., May 16.—About 1 o'clock this morning a courier from Greentown arrived here and announced the failure of the Dunkirk bank, which is owned and controlled by DeGinsis, Starbuck & Co., of Chicago. Attachments were at once effected, and the sheriff has levied on all the available property. The bank has gone under for at least \$75,000, and the amount may reach \$100,000.

Fort Wayne, Ind., May 12.—News of the suspension of the Farmers and Merchants' Bank of Geneva, Ind., reached here late this afternoon. The bank closed its doors at noon. It was the oldest institution of the kind in the town.

Cincinnati, Ohio, May 12.—The private banking firm of Dwiggins, Starbuck & Co., of Williamsburg, Ohio, has failed. The assignment was made to D. W.